App. F. IX-4 | **1932** | **File No.** 164-32

Previous References (Law.) | **Serial Nos.** 1–4

Later References
Law-51-34-IV 2

Preserve (14)

PRESERVED

GENERAL AND REVENUE SECRETARIAT

Serial Nos. Four

Part B for August 1933

SUBJECT.

Re. prosecution of Mr. V. P. Gnanasundaram Chetty, merchant—Bowringpet—under Sec 294A I.P.C. for keeping unauthorised lottery on behalf of the Chittoor Sundara Shanmuga Vilasa Chit-fund Co.

4) 2)

The D.C. Kolar
Regr. J.S. Co.
I.G. of Police.

No. P 4695-7 of 31.7.33
Sanctions the prosecution.

Dr. Abdul Aziz
23.8.33

6516 pgs
Circl.

General and Revenue Secretariat | JS File No. 29 of 1932 | [App. F. III—2

Serial No. 2

From the D.C. Kolar Dt
No J.1.C. 1192/32-33 dt 5/6/33
Forwards the records of investigation received from the Special Supdt of Police, K.G.F in the matter of the Chittoor Sundara Shanmuga Vilas Prize Chit, and requests that sanction may be accorded to proceed against the Concerned persons under Sec. 294 A. I.P.C. (Keeping a Lottery office).

1) Submitted with the previous papers. The Regr had asked the Dt Magistrate, Kolar to take necessary action in the matter. If approved these papers may now be transferred to the Prohn Branch for issue of necessary orders.

MR 15/6 Dev: Sec 4) Secy. 15/6

2) Prohibition Branch.

Chief. 16.6.33. Secy 16/6

MR 16/6/33.

2) The Police Inspector's report on [illegible] of the Chittoor Sundara Shanmuga Vilasa Chit fund Co., Bowringpet will narrate the circumstances under which the innocent public are duped. Moreover this is a Lottery

NOTE—Contn. Sheet.

WD 0246 —GPB—15,000—22-8-32

6516

Law File No. 164 of 193 2 — General and Revenue Secretariat

which is being conducted without the permission of the Govt. It does not seem to have been required under the Mys. Companies Regn: the offence falls under sec 294 A I.P.C. The D.C's request to prosecute the Directors of the above Co. may perhaps be sanctioned.

Submit with a d/f G.O. for approval & orders.

ISD
19/6

4) The scheme is undoubtedly lottery — But for what offence are the persons named to be prosecuted for sec 294 A (1) or (2)? Do the facts make out a case? How to prosecute Messrs Rajacheltty & Ekambaracheltty, who are both not residents of Mysore?

Mr. Ganapathi Iyer to kindly advise —

BNP
19/6/33

5) The scheme is clearly a lottery. For the prizes are determined by lot & as subscribers may get Rs 50 by paying only Rs 1 for the first month & Rs 2 for subsequent months. The prizes that month.

The Head office of the Chit Fund Coy is at Chittoor. But there is a Branch office at Bommingpet and it has an Agent. Proxies are Executants. So decree on any the Papers against the Agent for Enforcing Sundaresan Chetty under para 1 of S. 294 A.

He may be said to keep the office at Bommingpet as Agent though it is stated that one of the Directors Ekambaresan Chetty opened the office.

6) There is a Pamphlet publishing the prospectus about the Scheme. But it is signed by the Directors who are natives & residents of Chittoor.

Under S. 2 of the I.P.C every person is liable under the code for acts of which he is guilty within the territorial of Mysore. The act

5:16

Hp

Serial No.

of publication might have been communicated to Mysore. But the offences are not ~~are not~~ under the Mysore Act. If the Directors of the Coy: were subjects of Mysore they would be liable under S. 4 of the Code. Since they live outside & are not subjects of Mysore it does not seem possible to proceed against them. Section B. 294 A is not included in the Schedule to the Indian Extradition Act.

Submd. for orders.

~~See~~ Note 22/6.

1) The Dt might may be asked how he proposes to prosecute the Directors Messrs Rajuchetty & Exambarachetti who are not residents of Mysore, and who are prima facie guilty ~~of an~~ of only an offence under para 2 of sec 294 A which is not an extradition offence -

Note 23/6

2) Dft put up according

LSD 23/6 Note

3) Issue

Note 25/6.

24 JUN 32 LEGL & REVS

NOTE—Contn. Sheet.

WD 0246 -GPB—15,000—22-8-32

Issued no. P. 25 d 4.7.32.

Serial No.

From,

The D.C. Kolar

no. Jl.c 1192/32-33 dated 6th July 1933 stating that the directors of the Co.y cannot be prosecuted under sec 294 A I.P.C. as they are not residents of Mysore, and that as the Chit fund Co.y has established a place of business at Bowringpet and one V.P. Gnanasundaram Chetty, Merchant, Bowringpet is authorised to accept service, sanction may be accorded to his prosecution under sec 294 A I.P.C.

Ref.ce para 17 supra.

Sanction may perhaps be accorded to prosecute one Mr V.P. Gnanasundaram Chetty, Merchant Bowringpet who is said to have been authorised to accept service under sec 277 (1)(d) of the Mysore Companies Reg.n

+ Sub? for order

ISD 11/7

The Chittor Sundara Saravanaga Vilas Chit fund Co: has a branch office at Bowringpet where one Mr. V.P. Gnanasundaram Chetty is carrying on business as the authorised agent of the Company.

The Company is running a Prize Chit which amounts to a lottery and since it is not authorised by Govt, an offence under the first proviso Sec 294 A I.P.C would be committed by the person keeping any office or place for the

NOTE—Contn. Sheet.

purpose of drawing the lottery. The publisher of any proposal relating to such a lottery is punishable under the 2nd para of Sec 294 A.

The Police report in this case shows that the drawing of the chit is being done in a room by the side of the house where one Gnanasundaram chetti is residing in Bowringpet. The first drawing took place on 24.12.32 and it appears to have been presided by one Mr N. S. Ramanatha Iyer, Govt Electric Inspector - Bowringpet. Subsequent drawings are said to have been conducted by Ekambaram chetti & Gnanasundaram chetti.

Certain leaflets relating to this lottery have been published by the Directors messrs Rajuchetti & Ekambaram chetti. The DC mpte, Kolar recommended in the first instance, sanction to prosecute both these directors for an offence under ~~Sec~~ para as well as their agent at Bowringpet, viz. Gnanasundaram chetti. Since the directors are not residents of Mysore and the offences under sec 294A being non-bailable, the DC mpte was asked how he proposed to prosecute the two directors. On this, he requests that sanction may be accorded to

131/p/33

7

General and Revenue Secretariat | File No. | of 193 | [App. F. III—2

Serial No.

The prosecution of Gnanasundaram Chetti and others for an offence under Sec 294 A.

Forwarded with compliments to the Govt Advocate for favour of opinion as to whether the facts of this case make out an offence under Sec 294 A I.P.C.

Bd.
Bhagavan Das
Jorgensey
11/7/33.

I.O.No. p 855/32
dt 11/7/33

Dis 28/33-34
dt 12.7.33

Returned with compliments.

The same question arose for consideration in another file - The Travancore Alliance Bank Scheme - and I have therein expressed my opinion that a -- scheme like this comes under Section 294 A. of the Indian Penal Code. The prizes are drawn every month and the lucky winner, thereafter, ceases to pay even the monthly subscription. The prizes are thus drawn by lot or chance and this seems to have created a spirit of speculation all over the area. The fact that at the end of 50 months every subscriber gets Rs.50/- does not affect the question.

In some cases such schemes are held to b lottery (See Ratanlal Law of Crimes 1933 Edn. pages 678 and 679).

The decisions of the Madras High Court are - conflicting. The latest Full Bench decision reported in I.L.R. 50 Madras page 696 is distinguishable though the scheme in that case proceeded on identically the same

R.O. Dis 9/33-34
dt 20.7.933

GENERAL SECT.
20 JUL
No.

NOTE—Contn. Sheet.

5

137

File No. | of 193 | General and Revenue Secretariat

same lines as in this case. The question there, came up for consideration on the Civil side and the main question was whether such a transaction was a wagering contract. Whether it was a lottery coming within Section 294(A) I.P.C., was not decided by the Trial Court ~~xfix~~ and after remand with respect to that point the High Court held that it was not proved that an offence under that Section had been committed as no office or place for the purpose of drawing any lottery was kept. That case cannot therefore be taken as an authority for the position that the scheme is not a lottery.

As Mr. Gnanasundaram Chetty is the local Agent and keeps the office where the prizes are being drawn it can fairly be said that he comes within the scope of Section 294(A).

V. Nallaya Vandayar
Government Advocate.
20.7.1933

CSN.

Sanction to prosecute Mr. Gnana-Sundaram chetty for an offence under Sec 294(A) I.P.C may be given -

First Member)

mp 20/7

ks 21/7/33

ks 21.7

Dft mp 21/7

OFFICE OF THE FIRST MEMBER, EXECUTIVE COUNCIL
21 JULY 1933
No. 699

Serial No.

Subt? with a dft G.O. Sanctioning

ISD 26/7

Please have a typed Off for Subm—

26/7

TYPING SECTION 26 JUL. 1933 GENL. & REV SECTT.

Typed dft subt?

ISD 27/7.

Under Sec 196 Cr. P.C. the Complaint ~~to be filed~~ has to be made by order of or under authority from the Govt or some officer empowered by Govt in this behalf. In the Draft order it is proposed to empower the Spl. Supt of Police, K.G.F to file the Complaint.

Submitted for approval

First Member)

28/7/33

OFFICE OF THE FIRST ME... 28 JULY 1933 No. 881

by 28/7

28/7

TYPING SECTION 29 JUL. 1933 GENL. & REV SECTT.

Issue 29/7

To,

The D.C. Kolar

" Regr of Ft Sts. &

" G.S.P.

G.O. no. P. 455-97 Law 164-32-Cr dt. 31-7-33 Sanctioning the prosecution of Mr. V.P. Gnanasundaram Chetty, Broom-pe. under Sec 294 A I.P.C.

NOTE—Contn. Sheet.

WD 79—GBPM—60,000—13-8-31.

1/8/33

40 131

File No. of 193 . General and Revenue Secretariat

Rep. for to take back their papers & returning
them. Dept. with Compts
J. 1931 Gen. file 29-32-1 part up
herewith is taken back & this paper sche
17/8/33

J.S. 29-32-2.

In all future correspondence please quote this
No. J.C.1192
Encls. 32-33
One Record.

OFFICE OF THE DEPUTY COMMISSIONER,
KOLAR DISTRICT.

(Camp) Oorgaum,
Dated, Kolar, the 5th June *1933.*

FROM

T. G. RAMA IYER, ESQ., B.A.,
Deputy Commissioner,
Kolar District.

4927
Law 164-32-

DEVELOPMENT SECRE... 7 JUN 1933

S. ABDUL WAJID, ESQ., B.A.,
Secretary to the Government of Mysore,
Development Departments, Bangalore.

R,

1472

In inviting kind reference to letter No:C.619/32-33 dated Bangalore, the 11th May 1933 from the Registrar of Joint Stock Companies to you, a copy of which was forwarded to me for necessary action, I have the honor to forward herewith, the records of investigation received from the Special Superintendent of Police, Kolar Gold Fields. It will be seen therefrom that the offence falls under Section 294 A. of the Indian Penal Code. The investigation was at first conducted on certain petitions received from one S. B. Raman of Bowringpet. As it was then learnt that the Company had filed an application for registration before the Registrar of Joint Stock Companies and in view of the decision referred to in the margin, it was then thought that a prosecution was not necessary and might not lie. In view however, of the reference from the Registrar of Joint Stock Companies, the matter was further investigated by the Police and the Special Superintendent has now applied for sanction to prosecute the offenders for an offence under Sec.294 A. of the Indian Penal Code. As the prosecution for an offence under this Section requires the sanction of Government, I request you to kindly move Government to accord sanction to the prosecution.

Vide "Para 2796, on page 1365 of Vol.I.Gour's Penal Law of British India. Third Edition, 1925."

I have the honor to be,
S i r,
Your most obedient servant,

Deputy Commissioner,
Kolar District.

V.V.R.
5633.

GOVERNMENT OF HIS HIGHNESS THE MAHARAJA OF MYSORE

General and Revenue Secretariat

Dated, Bangalore, ...

No. Pus-Law 164-32-2 24th June 4/6 July 33

From

General Secretary to the Government of His Highness the Maharaja of Mysore.

To The

The Deputy Commissioner,
Kolar District.

Sir,

With reference to your letter No. J.1.C. 1192/32-33 ated 5th June 1933, soliciting sanction of Government to rosecutethe Directors of the Chittoor Sundara Shanmuga lasa Chit Fund Co., under section 294 A. I.P.C., I am irected to request you to intimate for information of - overnment how you propose to prosecute the Directors Mess aju Chetty and Ekambara Chetty, who are not residents of rsore and who are prima facie guilty of only an offence ider para 2 of Section 294 A. I.P.C. which is not an extr .tion offence.

I have the honor to be,
Sir,
Your most obedient servant,

For General Secretary to Government

TRM.2

3

Appendix F G—1]

SUBJECT.....

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.....

Section Law

File No. 164-33

Serial No. 2 (3

No. of letter replied to .....

No. P25

To

The D.C. Kolar

neral and Revenue Secretariat

( )

the 193 .

Sir,

issue 4.7.33

With reference to your letter no. J.C. 1192/32-33 dated 5th June 1933 Soliciting sanction of Govt to prosecute the Directors of the Chittoor Sundara Shanmuga Vilasa Chit fund Co^y under sec 294 A. I.P.C I am directed to request you to intimate for information of Govt how you propose to prosecute the Directors Messrs. Rajuchetty & Ekambaracharry who are not residents of Mysore and who are prima facie guilty of only an offence under para 2 of sec 294 A I.P.C. which is not an extraditable offence

by Mr N.R.J.

...Enclosures.....

Copied by.....

Examined by.....

I have etc

WD 0253—GPB—15,000—26-8-32

RD 23/6

RDP 23/6 for Secy

P 933.4

In all future correspondence please quote this
No. J.1.C.1192/32-33
Encls.

OFFICE OF THE DEPUTY COMMISSIONER,
KOLAR DISTRICT.

Dated, Kolar, the 6th July *1933.*

Law 164-32-3

FROM

T. G. RAMA IYER, ESQ., B.A.,
Deputy Commissioner,
Kolar District.

To

S.N.Appanna Iyengar,Esq., B.A., B.L.,
General Secretary to the Government of Mysore,
Bangalore.

GENERAL SECTT
10 JULY 1933
No- Law

SIR,

The Directors of the Chittoor Sundara Shanmuga Vilas Chit fund Co., - Prosecution of -

With reference to your letter No.P.25 Law.164-32-2 dated 24th /4th July 1933 re the above subject, I have the honor to state that the Directors of the Company cannot be prosecuted under Section 294 A I.P.C. as they are not residents of Mysore. As the Registrar of Joint Stock Companies in Mysore,Bangalore, has reported that the chit fund Company has established a place of business at Garabovi street, Bowringpet and Mr.V.P.Ganasundaram Chetty,Merchant, Bowringpet, is authorised to accept service under Section 277(1)(d) of the Mysore Companies Regulation, I request

that sanction may kindly be accorded to the prosecution of the said Mr.V.P.Ganasundaram Chetty,Merchant,Bowringpet, for an offence under Section 294(A) I.P.C..

I have the honor to be,
Sir,
Your most obedient servan

Deputy Commissioner,
Kolar District.

L.S.R.